

## REORGANIZATION OF THE CONSULAR SERVICE.

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MR. ADAMS, from the Committee on Foreign Affairs, submitted the following

### REPORT.

[To accompany H. R. 10524.]

The Committee on Foreign Affairs, to whom were referred the bills (H. R. 42 and H. R. 4354) to provide for the reorganization of the consular service, report the accompanying bill as a substitute therefor.

As this bill provides for a commission to reorganize the consular service, it is a declaration of the lines upon which it is to be done rather than a description of details.

The consular service of the United States was established by the acts of July 31, 1789, and July 1, 1790, and it is a curious fact that during the entire century of our country's development, commercially, since this service of our Government has received but scant attention at the hands of Congress. Except in the few instances where personal influence and favoritism at Washington have enabled an individual consul to secure an advance in the amount of his salary, the consular salary remains substantially as it was fixed in 1856, and for all the necessary expenses of living in foreign countries one dollar would reach as far then as three times that sum can do now. Many consulates that were important thirty years ago have lost much of their consequence with the decaying of our merchant marine or the changed currents of international trade, while many others that were then obscure have become more important, so as to require first-class men to administer them in the proper manner.

The shipping statute of 1883 swept away the whole schedule of fees for services to American vessels, which, up to that time, had been a lucrative emolument to the consuls, and little or nothing has since been given to them in compensation for their loss.

Such changes in condition show the necessity for a careful revision of the salaries throughout the service. As an example of the incongruous condition which this detached legislation has imposed upon the service the following are cited:

The consulate at Nuremberg, Germany, a city of 160,000 inhabitants, has a salary of \$3,000, and the consulate at Fürth, but a few minutes distant by street car, has a salary of \$2,000.

On the other hand the important consulates at Mannheim and Munich, the latter the capital of Bavaria, a city of 405,000 inhabitants and the residence of a large American colony, have a salary of only \$1,500 each.

The values of declared exports to the United States from the Mannheim district in 1894 were \$3,648,989; in 1895, \$3,875,538, and in 1896, \$3,468,261; while those from Nuremberg were, 1894, \$1,406,740; 1895, \$1,525,204, and in 1896, \$1,561,521.

The case at Kehl is even more striking, for the district of that consulate includes all of Lorraine and a large part of Alsace, where the cases of friction between the authorities and naturalized American citizens, natives of those provinces, are of constant occurrence and require on the part of the United States consul the exercise of firmness and diplomatic discretion, while the duties of the consul at Munich, with its large number of inhabitants, many of them being Americans, requires the assiduous and constant attention of the person occupying that position.

The recital of these facts assuredly shows the need of the revision in our consular service, and they could be amplified in every portion of the globe to which that service is extended.

The advantage of a reorganization of our consular service has been called to the attention of Congress from time to time by those who saw the growing necessity for some legislation in that regard. The Department of State has long recognized the inadequacy of the consular service to the growing needs of the country and to the proper protection of the business and property of our citizens residing abroad, either for business or the pleasure of travel.

Secretary of State Livingstone, in 1833, and Secretary of State Buchanan, in 1846, called attention to the evils existing in the service, but it was not until 1884, when Secretary of State Frelinghuysen discussed the subject in his admirable and exhaustive report, transmitted to Congress by President Arthur March 20 of that year, that the strong necessity for action was made apparent. In it he said:

Until recently the demands of Europe, which consumed the greater portion of our exports, and the condition of the producing countries were such as to give us control in the supply of certain products, such as breadstuffs, provisions, cotton, and petroleum, etc. The demands of Europe for all these products and of the other continents for petroleum especially were so positive, and our producing conditions so favorable, as to give us practically a monopoly for their supply.

These conditions of international demand and supply are undergoing radical changes, which the near future will intensify.

The efforts which have been made and which are being made by Europe to enlarge the field of supply in the above-mentioned products, aided by the ambition which prevails in all countries for the development of natural and artificial resources to meet their own wants and to supply the wants of others, have resulted in awakening competition for the supply even of those products which we have heretofore controlled. It is true that thus far this competition has not affected our trade to any appreciable extent, but the desire for development which is now abroad and the ambition which prevails to increase the production (outside of the United States) of the foregoing articles render consular supervision of absolute importance. *The complex commercial relations and industrial interests which now prevail in Europe have originated hostility to American products in many countries and afford additional reasons for the enlargement and perfection of the consular service.*

The same necessity has been pressed upon the Government at home by our representatives in the service abroad. In 1864 John Bigelow, consul at Paris, wrote:

The practical results of our system, which in this respect has no parallel under any other Government, are—

(1) That we are obliged to select for consular posts men without the proper training and qualifications.

(2) We are obliged to select men who have no intention of making a career in the consular service. Consequently they have no great inducement to qualify themselves properly for a post which they can hope to hold only for a brief term by the acquisition of knowledge of little or no use to them in any other profession.

(3) The fact that our consuls are so transitory deprives them of their proper influence in the consular body, as well as in most political and social circles where it is the interest of the Government that they should circulate.

(4) Such frequent changes prevent anything like uniformity or regularity in the conduct of consular business, which results in a serious prejudice to commerce and a grave inconvenience to the Department.

(5) With each change of Administration the Government is exposed to lose the benefit of whatever knowledge and influence its agents have acquired during their terms of service, and thus most of the time is served by raw and, therefore, to a considerable extent, by incompetent officers.

There is no other country in the world where the tenure of the consular office is dependent upon the permanence of the home Administration. Nor can the practice be defended by any consideration whatever which looks to its usefulness and efficiency.

Surely no stronger evidence could be adduced, coming from one of experience in the consular service.

The Hon. Robert Adams, jr., when United States minister to Brazil, in 1889, wrote in the *North American Review*:

The method by which the men are chosen for the positions necessarily brings forth poor candidates, while the short tenure of office, which is generally limited to the Presidential term, almost certainly so if a change of party takes place, and the meager salaries paid—in some posts hardly sufficient to support life in a respectable manner—deters competent men from entering the service. It should also be remembered that there is no promotion for efficient service; that a consul can not hope for a change of climate from a trying to a more healthful and genial one after a given period of service, and that there is always the prospect of returning to the United States broken down in health, unfitted to resume private business, and without prospect of further employment at the hands of the Government.

Assistant Secretary Rockhill, in an article in the *Forum* for the month of February, 1897, sums up the evils of our consular system as follows:

- (1) Imperfect mode of selection of consular officers.
- (2) No permanency of tenure.
- (3) Inadequate compensation, resulting in (a) the exaction of excessive fees and (b) the creation of consular agencies to increase salaries.
- (4) Excessive number of feed consulates and commercial agencies.
- (5) Imperfect enforcement of regulations, especially as regards amounts of fees and their collection.

This judgment from the late Assistant Secretary of State, who had especial charge of the consular service, is certainly deserving of great weight upon this subject.

This bill proposes to place all grades of consuls under a salary and to do away with consular and commercial agencies, and provides that all fees of all kinds must be accounted for and covered into the United States Treasury. Of the advantages of this system over the present one abundant evidence is presented by those most conversant with the needs of the service. In 1871 Inspector Keim reported:

The act of 1856 was doubtless designed to correct the most conspicuous of the abuses which prevailed. \* \* \* The evils prior to that date may have been mitigated or may have suffered temporary abatement. \* \* \* They were certainly not eradicated; and these abuses \* \* \* have been perpetuated in most cases by each succeeding officer.

Again, in 1879, Gen. Julius Stahel, then consul at Hiogo, Japan, wrote to the Department of State:

The permission granted to consular officers of receiving unofficial fees for notarial acts, etc., is liable to abuse, and is the root of many evils and irregularities. \* \* \* I suggest that the permission to charge unofficial fees be withdrawn, and that all fees received by consular officers, for whatsoever service rendered, be considered as official, and so accounted for. \* \* \* In this way one of the greatest evils of our

service would be remedied and dignity added to the representation of the United States in foreign countries.

Secretary Frelinghuysen, in his report of 1884 on the consular service, said:

In the opinion of the Department, the present system of compensation by fees, either official or unofficial, should be abolished. Whatever money comes into the consul's hands should be turned into the Treasury of the United States, and he should depend for his support entirely upon the salary allowed by Congress.

In 1885, writing on the same subject to the Department, Gen. John S. Mosby, consul at Hongkong, expressed himself even more emphatically:

Consular fees should, in my opinion, be altogether abolished. \* \* \* The best way to secure honesty in the public service is to make it impossible for officers to be dishonest. I can see no sound reason for sending consuls abroad to collect revenue for the Government. You might as well send the Navy to do it.

That the merchants of our country are fully aroused to the necessity of an improvement in the consular service is attested by the resolution adopted by the National Board of Trade at its session in Washington, January 26, 1897, as follows:

*Resolved*, That Congress be urged to authorize the President to appoint a commission, to be composed of members of the Senate, of the House of Representatives, and of the State and Treasury Departments, with, perhaps, one or two citizens of experience and fitness, which shall by inspection and inquiry make a complete examination of our entire consular system and laws, to the end that any further legislation by Congress shall be based upon such ample information and observation and meet the demands of the expanding commerce of the country.

These opinions represent the judgment of men best informed as to the needs of the consular service by the practical experience of our representatives abroad and those having the supervision of the service at home and of those who have the most material interest at stake.

No stronger argument could be offered for the necessity of a reform in the consular service than the present war with Spain. Our naval authorities have a right to look to the consuls to keep them informed on all matters of interest appertaining to the movements of the enemy's vessels of war, whether separately or in squadrons; of the movements of war supplies, whether of munitions or fuel; with the measures taken by the Government for the prosecution of the war, whether of a legislative or military character. How can men, however patriotic they may feel, be competent to furnish such information when many of them have been inducted into office for less than a year, most of whom can neither read nor speak the language of the country to which they have been accredited, thus making it impossible for them, of their own knowledge, to gather information from the people, or even the newspapers thereof, without the aid of interpreters, who may be false in their service to them? It is practical facts like these which emphasize the business character of our consular service, and illustrate the necessity of conducting it on business principles.

The importance of our consular service being recognized, as well as the useful part it may be made to play in the hoped-for extension of the foreign trade, the question naturally arises, "How can it be improved?" Two great obstacles appear at the first step in that direction: First, the ignorance of the majority of the people of the importance of the consular service as affecting their individual interests; and, second, the reward for political service that has engrafted itself on our political parties. Let the people understand this question and they will soon insist that proper rules shall be applied to this branch of the Government service.



Our consuls should be trained for their positions and pass an examination on such subjects as the laws regulating shipping, the commercial treaties existing between their own and other countries, the laws relating to intestates, on the consular regulations of the United States, and on such other subjects as relate to their duties. They should also be required to have a practical knowledge of French or of the language of the country to which they are to be sent. It will be demanded, "Where will such a specially educated class come from?" Once it is understood that the service is a permanent one, young men will prepare for it the same as they do for other professions, and in sufficient numbers to arouse competition. That this was not a matter of conjecture was fully established by the experience in Great Britain when the examination for the civil service was thrown open to all, the number of applicants having increased the first year from 5,000 to 15,000 and the character and ability of the applicants having proved as high as if not better than that of the selected applicants had been before.

To insure this, however, the salaries must be raised. How can a man be expected to live at Para, in Brazil, under an equatorial sun, exposed to malarial and yellow fevers, and deprived almost entirely of all social intercourse, for \$2,000 a year, or, even worse, at Santos, where the town was decimated by yellow fever, the victims including the United States vice-consul? Yet the importance of the first position to our country can best be stated by the value of the exports to the United States, which amount annually to \$7,000,000, while the annual export of coffee alone from the second port to our country is \$30,000,000. These cases could be amplified, but they are sufficient to illustrate the present state of affairs.

Nowhere is the adage "The best is the cheapest" more forcibly illustrated than in the consular service. Had it been composed of the proper material, no necessity could have arisen for the establishment of the South American Bureau, or of sending special commissioners to the foreign Governments to make arrangements for the exhibits at the Columbian Exposition.

President Cleveland, by his order dated September 20, 1895, has taken a step in the direction of this proposed measure, but it is at best only tentative, subject to being revoked at any time by himself or his successors.

In conclusion, your committee can not do better than quote a passage from the exhaustive report of Senator Morgan, made February 6, 1895, on a somewhat similar bill introduced in the Senate:

This bill adopts the principle of permanent official tenure, so far as the laws can control that subject, but permanent only as it is of benefit to the service. It leaves the power of removal from office to the discretion of the President. The position of each employee of the service is protected against the uncertain and demoralizing effects of changes for merely political reasons in the administration of the Government as far as Congress can control the subject. But this protection is as necessary in practice for efficient work as it is just in theory, and if the plan is adopted of appointing consuls after they are found to be qualified for the respective classifications of the consular service they will seldom, if ever, be dropped from the service for the purpose of supplying their places with political favorites.

The committee recommend the passage of the bill.

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